

# INVOICE

**FROM:**  
 Chris Davis  
 Cornerstone Appraisals, Inc.  
 PO BOX 426  
 Devine, TX 78016  
  
 Telephone Number: 210-316-0542      Fax Number: 210-568-6845

INVOICE NUMBER
CS071127
DATE
11/21/2007
REFERENCE
Internal Order #: CS071127
Lender Case #:
Client File #:
Main File # on form: CS071127
Other File # on form:
Federal Tax ID: 20-1731114
Employer ID:

**TO:**  
 Sally Hernandez  
 San Antonio Housing Authority  
 818 S. Flores St.  
 San Antonio , TX 78204  
  
 Telephone Number: (210) 477-6026      Fax Number: (210) 477-6015  
 Alternate Number:      E-Mail:

## DESCRIPTION

**Lender:**      **Client:** San Antonio Housing Authority  
**Purchaser/Borrower:**  
**Property Address:** 2631 Villa Norte  
**City:** San Antonio  
**County:** Bexar      **State:** TX      **Zip:** 78228-6337  
**Legal Description:** NCB 8888 BLK 9 LOT 34 (Blueridge Subd)

FEES	AMOUNT
Full Appraisal	350.00
<b>SUBTOTAL</b>	350.00

PAYMENTS	AMOUNT									
<table border="0"> <tr><td>Check #:</td><td>Date:</td><td>Description:</td></tr> <tr><td>Check #:</td><td>Date:</td><td>Description:</td></tr> <tr><td>Check #:</td><td>Date:</td><td>Description:</td></tr> </table>	Check #:	Date:	Description:	Check #:	Date:	Description:	Check #:	Date:	Description:	
Check #:	Date:	Description:								
Check #:	Date:	Description:								
Check #:	Date:	Description:								
<b>SUBTOTAL</b>										
<b>TOTAL DUE</b>	<b>\$ 350.00</b>									

Please Return This Portion With Your Payment

**FROM:**  
 Sally Hernandez  
 San Antonio Housing Authority  
 818 S. Flores St.  
 San Antonio , TX 78204  
  
 Telephone Number: (210) 477-6026      Fax Number: (210) 477-6015  
 Alternate Number:      E-Mail:

**AMOUNT DUE:**      \$ 350.00  
**AMOUNT ENCLOSED:**      \$ \_\_\_\_\_

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**TO:**  
 Chris Davis  
 Cornerstone Appraisals, Inc.  
 PO BOX 426  
 Devine, TX 78016



**APPRAISAL OF REAL PROPERTY**

**LOCATED AT:**

2631 Villa Norte  
NCB 8888 BLK 9 LOT 34 (Blueridge Subd)  
San Antonio , TX 78228-6337

**FOR:**

818 S. Flores St.  
San Antonio , TX 78204

**AS OF:**

November 20, 2007

**BY:**

Chris Davis  
Cornerstone Appraisals, Inc.  
PO BOX 426  
Devine Texas 78016  
210-316-0542

# Uniform Residential Appraisal Report

File # CS071127

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address 2631 Villa Norte	City San Antonio	State TX	Zip Code 78228-6337
Borrower	Owner of Public Record Abelardo & Margaret Nombrana	County Bexar	
Legal Description NCB 8888 BLK 9 LOT 34 (Blueridge Subd)			
Assessor's Parcel # 088880090340	Tax Year 2006	R.E. Taxes \$ 2,831.99	
Neighborhood Name Blueridge	Map Reference 615E2	Census Tract 1707.00	
Occupant <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments \$ 0	<input type="checkbox"/> PUD	HOA \$ 0 <input type="checkbox"/> per year <input type="checkbox"/> per month
Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)			
Assignment Type <input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input checked="" type="checkbox"/> Other (describe) Possible mortgage transaction			
Lender/Client Address 818 S. Flores St., San Antonio, TX 78204			
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Report data source(s) used, offering price(s), and date(s). MLS/Owner			

I  did  did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. N/A

Contract Price \$ N/A	Date of Contract N/A	Is the property seller the owner of public record? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Data Source(s) N/A
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If Yes, report the total dollar amount and describe the items to be paid. N/A			

**Note: Race and the racial composition of the neighborhood are not appraisal factors.**

Neighborhood Characteristics				One-Unit Housing Trends			One-Unit Housing			Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	70 %						
Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %						
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	32	Low	New	3 %						
Neighborhood Boundaries Boundaries are Bandera Rd. to the North, N. Zarzamora to the East, W. Commerce St. to the South and NW 36th Street. to the West.				102	High	10	Commercial	4 %			
				70-90	Pred.	1-6	Other	18 %			
Neighborhood Description This neighborhood is in the West side of San Antonio. There are shopping, restaurants and employment; predominantly in the medical, educational, and military fields. The desirability of this neighborhood is reflected by the fact that most homes are sold within 3-6 months of being listed on the market.											
Market Conditions (including support for the above conclusions) Property values are steady. The area is in demand with a sufficient supply of housing to keep the market stable. Typical mortgage rates range from approximately 4.5% to 7.75% with typical discount of 1-5%.											

Dimensions No Survey Provided	Area 8,442 Sq.Ft.	Shape Rectangle	View Typical
Specific Zoning Classification Residential	Zoning Description Single Family Residential		
Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)			
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe			
<b>Utilities</b>	<b>Public</b>	<b>Other (describe)</b>	<b>Public</b>
Electricity <input checked="" type="checkbox"/>	<input type="checkbox"/>	Water <input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas <input type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer <input checked="" type="checkbox"/>	<input type="checkbox"/>
FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		FEMA Flood Zone X	FEMA Map # 48029C0433E
		FEMA Map Date 2/16/1996	
Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe			
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe			

General Description		Foundation		Exterior Description		materials/condition		Interior		materials/condition	
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Concrete/Good	Floors	Carpet/Tile/Ave						
# of Stories One	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Siding/Brick/Good	Walls	Drywall/Ave						
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area None sq.ft.	Roof Surface	Comp.Shing./Good	Trim/Finish	Paint/Trim/Ave						
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish %	Gutters & Downspouts	None	Bath Floor	Vinyl/Ave						
Design (Style) Traditional	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Dbl.Hng.Almn./Ave	Bath Wainscot	Fiberglass/Ave						
Year Built 2000	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	None	Car Storage	<input type="checkbox"/> None						
Effective Age (Yrs) 7	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Almn./Good	<input checked="" type="checkbox"/> Driveway	# of Cars 1						
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	Concrete						
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Electric	<input type="checkbox"/> Fireplace(s) #	<input checked="" type="checkbox"/> Fence Priv.Fence	<input checked="" type="checkbox"/> Garage	# of Cars Garage 1						
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck	<input checked="" type="checkbox"/> Porch Cvrd	<input type="checkbox"/> Carport	# of Cars						
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Att.	<input type="checkbox"/> Det. <input type="checkbox"/> Built-in						
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input checked="" type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)											
Finished area above grade contains: 6 Rooms 3 Bedrooms 2 Bath(s) 1,255 Square Feet of Gross Living Area Above Grade											
Additional features (special energy efficient items, etc.). Ceiling fans, window coverings and other typical features.											

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject property is in ave-good condition.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?  Yes  No If Yes, describe

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?  Yes  No If No, describe

# Uniform Residential Appraisal Report

File # CS071127

There are 13 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 68,000 to \$ 90,000		There are 10 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 78,000 to \$ 97,000	
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2
Address	2631 Villa Norte San Antonio, TX 78228-6327	2615 Vista Norte San Antonio TX	1018 NW 27th St. San Antonio TX
Proximity to Subject		0.13 miles NW	0.09 miles NW
Sale Price	\$ N/A	\$ 72,000	\$ 78,000
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 56.16 sq.ft.	\$ 60.84 sq.ft.
Data Source(s)		MLS #638588	MLS #638043
Verification Source(s)		Sales Agent	Sales Agent
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		FHA 4/07 CD	
Date of Sale/Time		8/13/2007	
Location	Suburban	Suburban	
Leasehold/Fee Simple	Fee Simple	Fee Simple	
Site	8,442 Sq.Ft.	5,009 Sq.Ft.	
View	Typical	Typical	
Design (Style)	Traditional	Traditional	
Quality of Construction	Average	Average	
Actual Age	7	7	
Condition	Average	Average	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	
Room Count	6 3 2	6 3 2	
Gross Living Area	1,255 sq.ft.	1,282 sq.ft.	-729
Basement & Finished Rooms Below Grade	None	None	
Functional Utility	Adequate	Adequate	
Heating/Cooling	FA/Central	FA/Central	
Energy Efficient Items	Typical	Typical	
Garage/Carport	Garage 1	Garage 1	
Porch/Patio/Deck	Cvrd	Cvrd	
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -729	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -756
Adjusted Sale Price of Comparables		Net Adj. 1.0 % Gross Adj. 1.0 % \$ 71,271	Net Adj. 0.9 % Gross Adj. 0.9 % \$ 77,244

I  did  did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research  did  did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.  
 Data Source(s) Local MLS  
 My research  did  did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.  
 Data Source(s) Local MLS

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	None	None	None	None
Price of Prior Sale/Transfer				
Data Source(s)	Local MLS	Local MLS	Local MLS	Local MLS
Effective Date of Data Source(s)	11/2007	11/2007	11/2007	11/2007

Analysis of prior sale or transfer history of the subject property and comparable sales None

Summary of Sales Comparison Approach All sales are similar to the subject and are in  the same or a similar neighborhood. Small to medium net adjustments are applied to the comparables to simulate the subject.  Market data did not warrant adjustments for lot size, financing or date of sales. Regarding physical  characteristics, all Sales are 7 years old. After adjustment, Sales range from \$72,000 to \$77,244

Indicated Value by Sales Comparison Approach \$ 78,000  
 Indicated Value by: Sales Comparison Approach \$ 78,000 Cost Approach (if developed) \$ 79,712 Income Approach (if developed) \$ N/A

Consideration was given to the Sales Comparison Analysis and the Cost approach. The income approach is not applicable. Area homes are marketed for use as primary residences, rather than their income producing capability.

This appraisal is made  "as is",  subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed,  subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or  subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: No repairs were need at the time of the site visit. Therefore no subject to value is needed.

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 78,000, as of November 20, 2007, which is the date of inspection and the effective date of this appraisal.

# Uniform Residential Appraisal Report

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ADDITIONAL COMMENTS

COST APPROACH

INCOME

PUD INFORMATION

**COST APPROACH TO VALUE (not required by Fannie Mae)**

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)      This appraiser used land sales and the extraction method for the opinion of site value.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE .....	=\$	8,500
Source of cost data Marshall Swift	DWELLING      1,255 Sq.Ft. @ \$	52.90 .....	= \$ 66,390
Quality rating from cost service Average      Effective date of cost data 11/2007	None Sq.Ft. @ \$	.....	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Patio/Porch area 96 Sq.Ft.	.....	= \$ 1,152
The floor area estimate for the subject should be considered an approximation only with some deviation is square footage, if any, being of little or no consequence in the valuation indication.	Garage/Carport      260 Sq.Ft. @ \$	22.00 .....	= \$ 5,720
	Total Estimate of Cost-New	.....	= \$ 73,262
	Less      Physical      Functional      External		
	Depreciation      8,550		= \$( 8,550)
	Depreciated Cost of Improvements .....		= \$ 64,712
	"As-is" Value of Site Improvements .....		= \$ 6,500
Estimated Remaining Economic Life (HUD and VA only)      53 Years	<b>INDICATED VALUE BY COST APPROACH</b> .....		= \$ 79,712

**INCOME APPROACH TO VALUE (not required by Fannie Mae)**

Estimated Monthly Market Rent \$      N/A      X Gross Rent Multiplier      N/A      = \$      N/A      Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM)      N/A

**PROJECT INFORMATION FOR PUDs (if applicable)**

Is the developer/builder in control of the Homeowners' Association (HOA)?  Yes  No      Unit type(s)  Detached  Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases      Total number of units      Total number of units sold

Total number of units rented      Total number of units for sale      Data source(s)

Was the project created by the conversion of existing building(s) into a PUD?  Yes  No      If Yes, date of conversion.

Does the project contain any multi-dwelling units?  Yes  No      Data Source

Are the units, common elements, and recreation facilities complete?  Yes  No      If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association?  Yes  No      If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

# Uniform Residential Appraisal Report

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

# Uniform Residential Appraisal Report

File # CS071127

## APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

## Uniform Residential Appraisal Report

File # CS071127

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

**SUPERVISORY APPRAISER'S CERTIFICATION:** The Supervisory Appraiser certifies and agrees that:

- I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
- I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
- The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
- This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
- If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

**APPRAISER** Chris Davis

Signature Chris Davis  
 Name Chris Davis  
 Company Name Cornerstone Appraisals, Inc.  
 Company Address PO Box 426 Devine Texas 78016  
 Telephone Number 210-316-0542  
 Email Address chris@cornerstoneappraisalsinc.com  
 Date of Signature and Report November 21, 2007  
 Effective Date of Appraisal November 20, 2007  
 State Certification # \_\_\_\_\_  
 or State License # 1333665  
 or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
 State TX  
 Expiration Date of Certification or License 5/31/2008

**ADDRESS OF PROPERTY APPRAISED**

2631 Villa Norte  
San Antonio, TX 78228-6337

APPRAISED VALUE OF SUBJECT PROPERTY \$ 78,000

**LENDER/CLIENT**

Name Sally Hernandez  
 Company Name \_\_\_\_\_  
 Company Address 818 S. Flores St., San Antonio, TX 78204  
 Email Address sally\_hernandez@saha.org

**SUPERVISORY APPRAISER (ONLY IF REQUIRED)**

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Company Name \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 Telephone Number \_\_\_\_\_  
 Email Address \_\_\_\_\_  
 Date of Signature \_\_\_\_\_  
 State Certification # \_\_\_\_\_  
 or State License # \_\_\_\_\_  
 State \_\_\_\_\_  
 Expiration Date of Certification or License \_\_\_\_\_

**SUBJECT PROPERTY**

- Did not inspect subject property  
 Did inspect exterior of subject property from street  
 Date of Inspection \_\_\_\_\_  
 Did inspect interior and exterior of subject property  
 Date of Inspection \_\_\_\_\_

**COMPARABLE SALES**

- Did not inspect exterior of comparable sales from street  
 Did inspect exterior of comparable sales from street  
 Date of Inspection \_\_\_\_\_

**Comment Addendum**

File No. CS071127

Borrower/Client					
Property Address 2631 Villa Norte					
City	San Antonio	County	Bexar	State	TX
		Zip Code	78228-6337		
Lender					

**Highest and Best Use**

In the site section of the URAR, a Highest and Best Use conclusion is reported. The Highest and Best Use is that reasonable and probable use that supports the highest present value, as defined on the effective date of this report. Alternately, it is that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in the highest land value. The subject site is conforming utilization, the site lends itself to single family residential use both because of its size and topography, and compatibility with surrounding sites. It is concluded that the highest and best use for the subject site, both as if unimproved and with existing improvements (i.e. utilities), is its current use: and that the size and design of the existing structure is an appropriate utilization.

**Valuation Methodology**

The valuation of residential property utilizes three approaches to value. The three approaches are: 1) The Cost Approach, 2) The Sales Approach, 3) The Income Approach. Data relevant to each of the approaches is developed and analyzed to produce a value from each of the approaches. Each of the approaches utilizes data that is gathered from the market place. Items of both similarity and dissimilarity in comparable properties are analyzed and adjustments are made for the differences. Finally, the three indicators of value developed by the approaches, are correlated with reference to the quality and quantity of data available and analyzed along with the applicability or suitability of the approaches to produce the appraiser's final opinion of value.

**Subject Site:**

A site plan was not provided by the client nor was a survey of the subject site. The site dimensions contained on the URAR are estimations made by this appraiser based on data contained in the MLS, County Tax Records and from the appraisal district. Site area contained herein is an approximation. Any slight variance in total site area will not have any effect on this appraiser's opinions or conclusions regarding the site. An Extraordinary Assumption is utilized with regards to the subject's size.

**Effective Age:**

In order to obtain a credible opinion of effective age for the subject property, the Cost Approach to value would need to be accomplished in order to establish an accrued depreciation and an annual rate of loss. These factors would then be applied to the RCN (Replacement Cost New) to obtain a supported conclusion with regards to effective age, which is a requirement of USPAP Standards Rule 1-3(a). In that the Cost Approach was not performed, a supported effective age could not be ascertained.

**Source For Definition of Market Value**

The source of the definition of market value is obtained in the Fannie Mae guidelines Section 205.01. The definition of market value is contained in FNMA Form 1004.

**Clarification of Structural Integrity**

Any statement, comment or conclusion made about the structural integrity is not a warranted fact but an observation limited to the purview of an appraiser's visual observation. For warranted fact about the structural integrity unless otherwise stated the user of the appraisal should have the improvement inspected by a licensed structural engineer or similar professional whose job it is to determine structural.

**Item 10 to Certification Statement**

This appraiser attempted to adhere fully with the requirements set forth in Certification Item 10 and believes the sources used provided credible information, but strict adherence was not possible in the normal course of business. In this state and local jurisdiction the non-disclosure status of law prevents the appraiser from any published non-interested party data other than that which is printed through the private source of Multiple Listing Service (MLS).

**Easement/Encroachments**

This appraiser was not furnished a survey for the site prior to the site inspection. During the visual observation of the subject site, no apparent adverse easements nor adverse encroachments were observed. No warranties are made as to the lack of adverse easements or encroachments. It is recommended that a survey of the site by a licensed land surveyor be used to determine evidence of or absence of any adverse easements or encroachments.

**Comment Addendum**

File No. CS071127

Borrower/Client					
Property Address 2631 Villa Norte					
City	San Antonio	County	Bexar	State	TX
				Zip Code	78228-6337
Lender					

**Extraordinary Assumptions:**

This appraisal is subject to the following conditions and/or assumptions (others may be included in this report). This information is being provided in an effort to provide full disclosure of the conditions under which this appraisal was completed.

Extraordinary Assumption is defined by USPAP as "an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraisers's opinions or conclusions."

The standard scope of appraisal practice does not require the appraiser to investigate the legality of the construction of the original subject structures. The appraiser did not investigate the legality of the original construction of the improvements and the appraiser presumes that the original structure was built with any and all required building permits. If the structure pre-dates the building permit process, then the appraiser assumes that the appropriate authority currently acknowledges the structure. This appraiser utilizes an Extraordinary Assumption that existing improvements had appropriate building permits obtained.

This appraiser did not investigate the subject, nor the comparable sales, to form an opinion if 1) a death may have occurred at the properties 2) if any prior criminal acts have been committed at the properties. This appraiser has no knowledge of any such occurrences or acts, nor was the appraiser informed by any third party regarding such occurrences or acts. This type of investigation is beyond the standard scope of appraisal practice.

The appraiser did not conduct an investigation into "Megans Law" (passed by Congress in 1996, said law governs sex offender registration and community notification) as it relates to the subject, the immediate market area of the subject and the comparable sales. This type of investigation is beyond the standard scope of appraisal practice and normal appraisal business practices.

This appraiser is not building contractor or qualified home inspector. The appraiser's expertise is in determining value only. The appraiser is not qualified to observe or report on any physical items that are not easily visible. Any parties to this transaction having concerns regarding structural, mechanical, infestation, contamination, or other issues about the subject property are urged to consult an expert in the appropriate field. While others may "rely on" the report, they should not rely on it to disclose condition and defects. This appraiser utilizes the Extraordinary Assumption that the subject property is similar and conducive to other properties within the subject's market area with regard to the items listed above.

**Liens or Encumbrances:**

Any liens or encumbrances which may exist, on the effective date of the appraisal, have been disregarded and the property has been appraised as though free and clear unless otherwise specified in the appraisal report.

**Clarification of Item 23 Certification Statement:**

The borrower is not an intended user of this appraisal report as implied by this statement of disclosure. This item is disclosing to the borrower as required under the Equal Opportunity Act as amended in 1991, their right to receive a copy of the appraisal report. In the event the borrower chooses to take that report to another lender to obtain financing the appraiser makes it known they have neither obligation nor privilege to discuss the appraisal with another lender or with the borrower. Any action taken by the borrower or another lender in the use of this appraisal report does not constitute an appraiser-client privilege or relationship under any circumstances.

**Scope of Work**

File No. CS071127

Borrower/Client					
Property Address 2631 Villa Norte					
City	San Antonio	County	Bexar	State	TX Zip Code 78228-6337
Lender					

**SCOPE OF WORK:** The Scope of Work is part of the appraisal process and is a preliminary decision made by the appraiser in communication with the Client in terms of how the appraisal should be conducted. It requires, in part, an identification of the intended users and the function of the appraisal so that sufficient analysis, methodology and communication can be made to those who rely on the appraisal to make necessary decisions. Included in the Scope of Work decision and communication is the need of sufficient information gathered and analyzed to develop and report a credible opinion of value.

In order to satisfy the Uniform Standards of Professional Appraisal Practice (USPAP) requirements, a preliminary search of available resources and data is made to determine market trends, influences, location, and other significant factors pertinent to the subject property. Then, the subject site and improvements are personally inspected by this appraiser. This inspection includes a physical observation including measuring the improvements utilizing plans provided by the builder and taking sufficient photographs to adequately characterize the property appraised. This inspection is intended to reveal the condition of the various components of the subject property. This appraiser is not licensed property inspector, nor a building inspector, termite/dry rot inspector, or a licensed building contractor. The reported condition used to base a comparative analysis and develop a Highest and Best Use conclusion, is to be relied upon for judging the integrity, condition, or remaining life of any individual component(s) to the subject property. Any obvious, readily observable defects in the subject property will be noted in the written Summary Appraisal Report and appropriately considered in the final value conclusion. This appraiser's intent is to value the subject property in consideration of its defined observed condition as of the effective date of the appraisal. The value opinion is contingent upon the existence of no defects that a typical buyer would not detect; and if such defects do exist, they are appropriately corrected and/or treated. When required inspections and/or repairs are made as contingencies to the final value opinion, they are made solely to bring the subject property to a condition that will make it acceptable to the Supplemental Standards of Fannie Mae and Freddie Mac underwriting guidelines and/or lender/client requirements.

Extent of research into physical, functional, and economic factors that could effect the property include, but not limited to, flood maps, zoning, Marshal & Swift Residential Cost Handbook, etc. All general data pertinent to the subject property that was not obtained from this appraiser's personal inspection of the subject property was obtained from sources believed to be reliable (i.e. government entities, title companies, etc). Conclusions reported herein, were based on data gathered, analyzed and considered reasonably available. All of the steps in the appraisal process were necessary to obtain a logically supported market value pertaining to the subject property. All sales data is from sources believed to be reliable (i.e. Multiple Listing Service, this appraiser's work files, realtors, assessors office, tax offices, buyer and sellers, other appraisers, etc.) All sales are visually inspected from the street by this appraiser.

The subject's history was researched for the past three years from the effective date of the appraisal and findings are reported herein. The type and extent of analysis applied to arrive at opinions or conclusions include a market analysis, Cost Approach, Income Approach, and Highest and Best Use. Certain approaches were given more weight than others and certain approaches to value were considered non-applicable due to the lack of data available for the particular analysis. If so warranted, the appraiser indicated the approach not utilized in the final value analysis.

**Subject Photo Page**

Borrower/Client				
Property Address 2631 Villa Norte				
City	San Antonio	County	Bexar	State TX Zip Code 78228-6337
Lender				

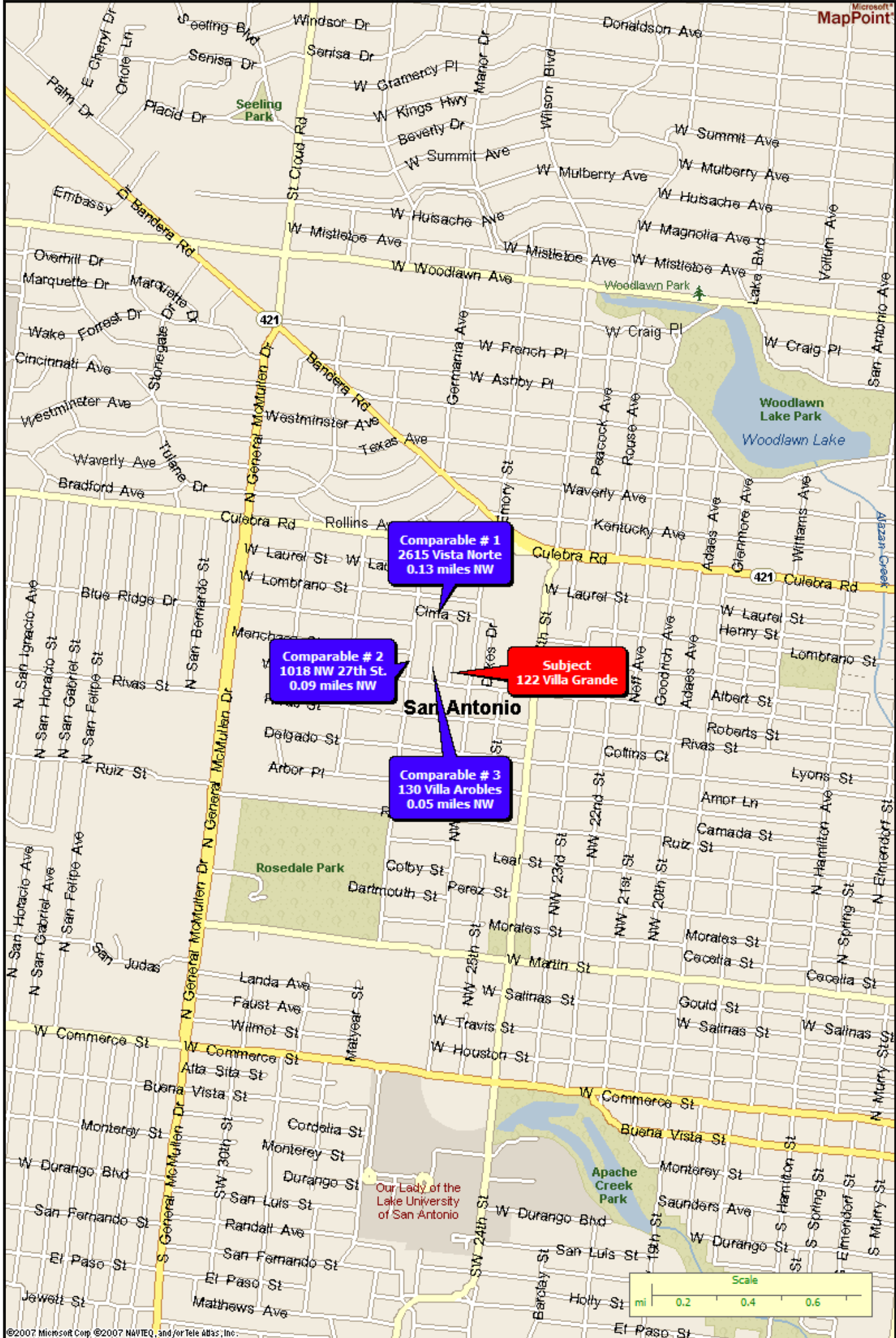
**Subject Front**

2631 Villa Norte	
Sales Price	N/A
Gross Living Area	1,255
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Suburban
View	Typical
Site	8,442 Sq.Ft.
Quality	Average
Age	7

**Subject Rear****Subject Street**

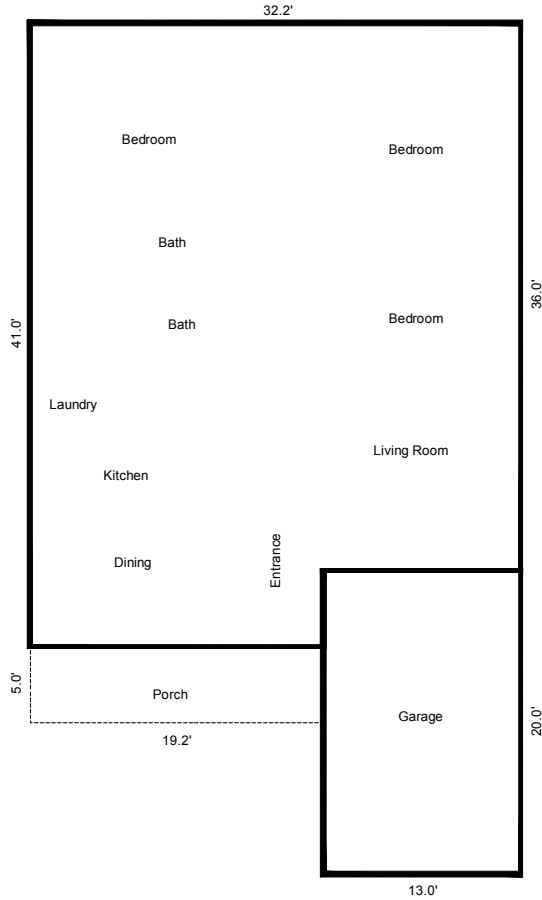
### Location Map

Borrower/Client				
Property Address 2631 Villa Norte				
City	San Antonio	County	Bexar	State TX Zip Code 78228-6337
Lender				



### Building Sketch

Borrower/Client			
Property Address 2631 Villa Norte			
City San Antonio	County Bexar	State TX	Zip Code 78228-6337
Lender			



Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1255.2	1255.2
P/P	Porch	96.0	96.0
GAR	Garage	260.0	260.0
Net LIVABLE Area		(Rounded)	1255

LIVING AREA BREAKDOWN		
Breakdown	Subtotals	
First Floor	19.2 x 41.0	787.2
	13.0 x 36.0	468.0
2 Items	(Rounded)	1255

**Comparable Photo Page**

Borrower/Client				
Property Address 2631 Villa Norte				
City	San Antonio	County	Bexar	State TX Zip Code 78228-6337
Lender				

**Comparable 1**

2615 Vista Norte	
Prox. to Subject	0.13 miles NW
Sale Price	72,000
Gross Living Area	1,282
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Suburban
View	Typical
Site	5,009 Sq.Ft.
Quality	Average
Age	7

**Comparable 2**

1018 NW 27th St.	
Prox. to Subject	0.09 miles NW
Sale Price	78,000
Gross Living Area	1,283
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Suburban
View	Typical
Site	5,044 Sq.Ft.
Quality	Average
Age	7

**Comparable 3**

130 Villa Arobles	
Prox. to Subject	0.05 miles NW
Sale Price	78,000
Gross Living Area	1,282
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Suburban
View	Typical
Site	5,190 Sq.Ft.
Quality	Average
Age	7